

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION**

#### **JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION**

**Call to Order:** By **CHAIRMAN LILA TAYLOR**, on February 2, 1999 at  
8:30 A.M., in Room 402 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Lila Taylor, Chairman (R)  
Sen. Mike Taylor, Vice Chairman (R)  
Sen. Eve Franklin (D)  
Sen. Ken Mesaros (R)  
Rep. Ray Peck (D)  
Rep. Joe Quilici (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Skip Culver, Legislative Branch  
Lynn Daily, Committee Secretary  
Greg DeWitt, Legislative Branch  
Mary LaFond, OBPP  
Mary Beth Linder, OBPP  
Amy Sassano, OBPP  
Jim Turner, Legislative Branch

**Please Note:** These are summary minutes. Testimony and  
discussion are paraphrased and condensed.

**Committee Business Summary:**

Department of Transportation Budget Office  
Testimony Continues  
- Computer Issues  
Executive Action: Governor's Office  
Judiciary

**Mike Randal, Information Service Bureau of the Department of  
Transportation,** speaks about the computers.

February 2, 1999

PAGE 2 of 14

**SEN. TAYLOR** asks about the Lockheed Contract. **Mike Randal** says that when the Department of Highways became the Department of Transportation they acquired some new responsibilities. Management wanted an integrated system. **SEN. TAYLOR** states that this is a proprietary thing, and asks if they developed a software program that could be used elsewhere. **Mr. Randal** says yes and the Department of Transportation did pay for some of this. **Bill Salsbury** says the system was developed at the expense of Lockheed and the Department of Transportation has paid about \$420,000 to date. Lockheed has sold components to several other state and the Department of Transportation will get revenue eventually. **SEN. TAYLOR** states that Lockheed developed the system from the Department of Transportation's knowledge and they are hoping to get some money back. He then asks where the money will go. **Mr. Salsbury** states that it would reduce the Department's cost for the maintenance fee.

**EXHIBIT (jgh26a01):** Lockheed Breakdown Yearly Maintenance Fees

**EXHIBIT (jgh26a02):** MOTRS Highlights

**SEN. TAYLOR** then asks if the budget reflects cost without the payback. **Mr. Salsbury** says that is correct.

**{Tape : 1; Side : A; Approx. Time Counter : 0 - 10.6}**

**SEN. TAYLOR** asks about the ISD contract. **Mr. Randall** states that they utilize SummitNet. They are charged for every PC that is connected to the system. They have 1,004 units that are permanently attached. **SEN. TAYLOR** states that the rate has gone up from \$53 to \$67 which is about a 25% increase. **Mr. Salsbury** states that this cost is in the base and in FY98 they were charged about \$506,000 for 1,004 units and in FY00 and FY01 they are increasing to 1,100 units. This is one of the largest price increases. **SEN. TAYLOR** asks what would happen if the committee reduced the rates. If the committee was to decrease the rates this would be adjusted in the base.

**{Tape : 1; Side : A; Approx. Time Counter : 10.6 - 21.2}**

**SEN. TAYLOR** asks about DP-14 (Contracted Services). **Mr. Randall** says that they have about 10 data centers in Helena and they have 20 distributed throughout the state which all of their financial management and system support utilize. These are large systems that require professionals to service. Because they have so many more remote sites, they want to use contracted services throughout the state. **SEN. TAYLOR** asks what the charge per hour is. **Mr. Randall** says it is \$56 per hour plus travel.

**CHAIRMAN TAYLOR** asks why all of their support staff is in Helena. **Mr. Randall** says that this is because three years ago they moved

February 2, 1999

PAGE 3 of 14

from 600 terminals, which all had to be centrally located, to PC's. **CHAIRMAN TAYLOR** asks Mr. Blacker what they hope to accomplish. **Mr. Blacker** says of the 120 sites they have statewide, only about 70 have computers. Some of the remote sites do this manually and then mail there replies. Their goal is to have this done right on sight.

*{Tape : 1; Side : A; Approx. Time Counter : 21.2 - 30.3}*

**SEN. TAYLOR** then asks what is in the base for this. **Mr. Randall** says \$288,000.

**SEN. TAYLOR** asks about DP-27 (the replacement of computers). **Mr. Randall** says that the state has a policy of replacing computers every four years and the department request is based on the fact that they have 1400 machines. The machines would cost \$1750 a piece and would include some software. They also come with a three year warranty. In the fourth year they would be charged \$27.43 per machine, which includes maintenance of servers, storage, printers etc. **CHAIRMAN TAYLOR** asks what is in the base. **Mr. Randall** says \$253,410.

**SEN. TAYLOR** asks if the electronic commerce is based on the bill going through. **Mr. Randall** says no, it is based on their business for electronic refunds, but they see a lot of probability for other uses. They entered into a pilot phase with Sterling Commerce. They have the software that allows electronic commerce to happen. **Mr. Salsbury** states that they literally get stacks of paper that they now have to send to Lockheed to insert. Montana is the first state to go on a pilot project. They purchased \$50,000 of equipment through a grant that was entirely federally funded.

*{Tape : 1; Side : B; Approx. Time Counter : 0 - 10}*

**SEN. TAYLOR** asks if with DP-10 they are going to cut FTEs. **Amy Sassano** says no, they are going to free up people to do other things. **Mr. Randall** says the Microfilm conversion contract would be a one time only service. They have about 3 million images to convert. **Gary Gilmore** says that they have purchased scanning equipment but they have only purchased enough to do their day-to-day business and this would be for a catch up of the past Microfilm. This will make identifying land much easier.

**EXHIBIT (jgh26a03):** Montana Department of Transportation Memorandum (Acreage Purchased-Sold-Exchanged)

**SEN. TAYLOR** asks what they are charging per piece of paper. **Mr. Randall** says about \$0.10.

*{Tape : 1; Side : B; Approx. Time Counter : 10 - 20}*

February 2, 1999

PAGE 4 of 14

**SEN. TAYLOR** asks about DP-33 (Bidding Systems) and how many contractors can respond. **Mr. Gilmore** says that every contractor can access this system. We provide everything they need. The biggest issue is security.

*{Tape : 1; Side : B; Approx. Time Counter : 20 - 24.6}*

**SEN. TAYLOR** asks about DP-40 and why they waited until now to upgrade it. **REP. QUILICI** states that it is because they didn't give them any money to do it. **Mr. Randall** states that it is very difficult to work with.

**SEN. TAYLOR** asks if the Department of Revenue were to take over some of these functions, such as taxes, how would this effect the computer requests. **Mr. Randall** says none. These requests would not be tied to revenue. That would only effect the Lockheed contract. **REP. QUILICI** states that at one time, Revenue used to do this collection, but it was transferred to Transportation and was more cost effective.

*{Tape : 1; Side : B; Approx. Time Counter : 24.6 - 28.6}*

**THE NEXT PART OF THE TAPE WAS INADVERTENTLY RECORDED OVER.**

**SEN. MESAROS** asks about the constitutionally protected account and if they transfer money between accounts.

**Mr. Curry** says that the comment that he made was non-protected and protected revenue is deposited into a common fund and co-mingled.

**Monte Brown** states that the legislature passed a requirement for the Department to deposit non-restricted revenue entities into separate accounting entities. Part of the reason is how do you tie specific revenues to funding the expenditure side, they have never been required to be separate accounts for expenditures. **Marvin Dye** states that for years all of these funds have flowed into one entity. When the legislature wanted to get rid of specific revenue funds that weren't statutorily protected, someone said that the majority of these funds were constitutionally protected and this money was needed to fund this program.

**SEN. MESAROS** asks about the constitutionally protected program. **Mr. Dye** says the whole fund ensures a federal match. Constitutionally protected says there are certain funds that can only be used for certain things.

February 2, 1999

PAGE 5 of 14

**CHAIRMAN TAYLOR** asks if the DOT could to a better job on their own auction than DOA. **John Blacker** states that the costs associated with selling vehicles is the cost of auctioneer and a fee of 8% that they pay DOA to handle administration that is about 14%. There is a lot of money spent on advertising. They also sell a lot of vehicles outside of the auction to schools, cities, etc. They do two auctions per year. **Mr. Dye** says that they are the biggest advocates for doing the auction themselves, but the DOA wouldn't be able to do without them, so the Governor's Office thought they ought to keep it in DOA. **Mr. Blacker** says that they have identified a savings of about \$65,000, but DOA also provides a service of taking the surplus or "waste" and dealing with it.

**EXECUTIVE ACTION ON GOVERNOR'S OFFICE**

**Motion/Vote:** REP. QUILICI moved BASE (A-34). Motion carried unanimously.

**Motion:** SEN. TAYLOR moved TO REDUCE THE REQUESTED PERSONAL SERVICES PRESENT LAW ADJUSTMENTS BY \$96,709 IN FISCAL 2000 AND BY \$96,157 IN FISCAL 2001.

**Discussion:**

**SEN. TAYLOR** states that this would adjust personal services present law adjustment request to remove funding for Linda Reed's position and for the vacant 0.5 FTE administrative assistant position.

**REP. QUILICI** asks what will happen if they want of replace Linda Reed's. **SEN. TAYLOR** states that in the testimony we heard there wasn't a comment on replacing. **Judy Browning** states they do intend to replace her. Because she left right before the session, they didn't have an opportunity to do so.

**CHAIRMAN TAYLOR** states that they are putting two people into the Department of Commerce that will accomplish the same thing that Linda's position accomplished.

**Vote:** Motion carried 4-1 with Quilici voting no. No vote from Sen. Franklin.

**Motion/Vote:** REP. QUILICI moved THE REST OF THE STATEWIDES (PAGE A-34). Motion carried unanimously.

February 2, 1999  
PAGE 6 of 14

**Motion:** SEN. TAYLOR moved TO GRANT PRESENT LAW ADJUSTMENTS OF \$3,500 IN FISCAL 2000 AND \$8,500 IN FISCAL 2001 IN DP 1 - Flathead Basin Commission Operating Expenses (PAGE A-35).

**Discussion:**

SEN. TAYLOR states that this would reduce the Flathead Basin commission present law adjustment requested by \$3,000 each fiscal year.

**Vote:** Motion carried unanimously.

**Motion/Vote:** SEN. TAYLOR moved DP 2- COMPUTER REPLACEMENT (PAGE A-36). Motion carried 5-1 with Peck voting no.

**Motion:** REP. QUILICI moved DP 3 - CONSENSUS COUNCIL ADMINISTRATIVE ASSISTANT (Page A-36).

**Substitute Motion:** SEN. TAYLOR made a substitute motion TO REDUCE THE CONSENSUS COUNCIL GENERAL FUND APPROPRIATION BY \$20,000 EACH FISCAL YEAR.

**Discussion:**

SEN. MESAROS states that he believes it is the integrity of the mix that makes the council more effective.

Jim Turner talks about HB 117 sponsored by Carl Ohs. It just puts them into statute and would create a statutorily authorized Consensus Council.

CHAIRMAN TAYLOR asks if we have ever pulled any money away. Matt McKinney says it has been a constant figure for 3-4 years. REP. QUILICI states that this committee has lowered before but it has always been put back.

**Vote:** Motion carried unanimously.

**EXECUTIVE ACTION ON GOVERNOR'S OFFICE - MANSION MAINTENANCE PROGRAM**

**Motion/Vote:** REP. QUILICI moved BASE FOR MANSION MAINTENANCE (PAGE A-38). Motion carried unanimously.

**Motion/Vote:** REP. QUILICI moved PRESENT LAW STATE WIDES AND COMPUTERS. Motion carried unanimously.

February 2, 1999  
PAGE 7 of 14

EXECUTIVE ACTION ON GOVERNOR'S OFFICE - AIR TRANSPORTATION  
PROGRAM

Motion/Vote: REP. QUILICI moved BASE (PAGE A-39). Motion carried  
unanimously.

Motion/Vote: SEN. TAYLOR moved STATE WIDE (PAGE A-39). Motion  
carried unanimously.

Motion/Vote: SEN. TAYLOR moved TO GRANT PRESENT LAW ADJUSTMENTS  
OF \$35,126 IN FISCAL 2000 AND \$22,126 IN FISCAL 2001 INSTEAD OF  
THE AMOUNTS SHOWN IN THE BUDGET BOOK IN DP 1- AIRCRAFT  
MAINTENANCE. Motion carried unanimously.

Motion/Vote: REP. QUILICI moved DP 2- COMPUTER REPLACEMENT.  
Motion carried unanimously.  
{Tape : 2; Side : B; Approx. Time Counter : 0 - 30.7}

EXECUTIVE ACTION ON GOVERNOR'S OFFICE - BUDGET AND PROGRAM  
PLANNING

Motion/Vote: SEN. TAYLOR moved BASE (PAGE A-41). Motion carried  
unanimously.

Motion/Vote: SEN. TAYLOR moved STATE WIDES (PAGE A-41). Motion  
carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 1 - COMPUTER REPLACEMENT  
(PAGE A-41); DP 2 - SESSION COSTS (PAGE A-41); AND DP3 - MTPRRIME  
SAVINGS (PAGE A-42). Motion carried unanimously.

EXECUTIVE ACTION ON GOVERNOR'S OFFICE - INDIAN AFFAIRS

Motion/Vote: SEN. MESAROS moved BASE (PAGE A-43). Motion carried  
unanimously.

Motion/Vote: SEN. TAYLOR moved STATE WIDES (PAGE A-43). Motion  
carried unanimously.

February 2, 1999  
PAGE 8 of 14

Motion/Vote: REP. QUILICI moved DP 1- COMPUTER  
REPLACEMENT/OPERATING EXPENSE INCREASE (PAGE A-43). Motion  
carried unanimously.

EXECUTIVE ACTION ON GOVERNOR'S OFFICE - LIEUTENANT GOVERNOR

Motion/Vote: SEN. MESAROS moved BASE (PAGE A-44). Motion  
carried unanimously.

Motion/Vote: SEN. MESAROS moved STATE WIDES (Page A-44). Motion  
carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 1 - COMPUTER REPLACEMENT (PAGE  
A-44). Motion carried unanimously.

EXECUTIVE ACTION ON GOVERNOR'S OFFICE - CITIZENS' ADVOCATE OFFICE

Motion/Vote: SEN. TAYLOR moved BASE (PAGE A-45). Motion carried  
unanimously.

Motion/Vote: SEN. TAYLOR moved STATE WIDES (PAGE A-45). Motion  
carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 1 - COMPUTER REPLACEMENT (PAGE  
A-45). Motion carried unanimously.

EXECUTIVE ACTION ON GOVERNOR'S OFFICE - MENTAL DISABILITIES BOARD  
OF VISITORS

Motion/Vote: SEN. MESAROS moved BASE (PAGE 46). Motion carried  
unanimously.

Motion/Vote: SEN. TAYLOR moved STATE WIDES AND DP 1 - COMPUTER  
REPLACEMENT/OPERATING EXPENSE INCREASE (PAGE A-46). Motion  
carried unanimously.

EXECUTIVE ACTION ON JUDICIARY



February 2, 1999  
PAGE 9 of 14

**EXHIBIT(jgh26a04):** Chapter III - Optimal Vehicle Management  
**EXHIBIT(jgh26a05):** Memo from Dan Gengler about the Proposed  
Motor Pool Lease Program  
**EXHIBIT(jgh26a06):** Memo from Amy Sassano about the Use of the  
state motor pool by state agencies  
**EXHIBIT(jgh26a07):** Montana Department of Transportation Gasoline  
Budgets 2001 Biennium  
*{Tape : 2; Side : A; Approx. Time Counter : 0 - 26.5}*

**EXECUTIVE ACTION ON JUDICIARY - SUPREME COURT OPERATIONS**

**Motion/Vote:** REP. QUILICI moved BASE (PAGE A-16). Motion carried  
unanimously.

**Motion/Vote:** SEN. TAYLOR moved STATE WIDES (PAGE A-16). Motion  
carried unanimously.

**Motion/Vote:** REP. QUILICI moved TO REDUCE DP - 1011 - LEGAL  
RESEARCH AND ASSOCIATION COST TO \$5,000. Motion carried  
unanimously.

**Motion:** SEN. TAYLOR moved DP 1012 - JUSTICES/DC CLERK TRAINING  
AS AMENDED: \$2,000 PER YEAR FOR JUSTICES AND \$9,000 PER YEAR FOR  
DISTRICT COURT CLERKS (LINE ITEM) (PAGE A-17).

**Discussion:**

CHAIRMAN TAYLOR asks what is the definition of 56 court clerks.  
Lisa Smith states that each county has an elected court clerk.  
REP. QUILICI asks what is the reason for the increase. Mrs.  
Smith says that prices increase every year.

**Vote:** Motion carried 4-2 with Franklin and Quilici voting no.

**Motion/Vote:** SEN. TAYLOR moved DP 1014 - ELECTRONIC DOCUMENT  
RETENTION AS AMENDED: \$70,000 BIENNIAL/RESTRICTED APPROPRIATION,  
LANGUAGE DIRECTING THE SUPREME COURT OPERATIONS TO PROVIDE  
IMAGING SERVICE TO ALL JUDICIARY PROGRAMS (PAGE A-17). Motion  
carried unanimously.

**Motion:** REP. QUILICI moved DP 1013 - EQUIPMENT (PAGE A-17).

**Discussion:**

SEN. TAYLOR states that they have \$90,000 in the base. They  
already have enough money to replace. Mrs. Smith says that when  
she prepared the budget she basically didn't know what to do.

**REP. QUILICI WITHDRAWS THE MOTION**

**Motion:** SEN. TAYLOR moved DP 2111 - FEDERAL COURT ASSESSMENT  
PROGRAM AS AMENDED: APPROVE FTEs and FEDERAL FUNDS ONLY.

**Discussion:**

**REP. QUILICI** asks is there enough money in the existing budget to match these funds. **Mrs. Smith** states that she doesn't know. In the past if the don't get the match in funds they don't do the programs.

**Vote:** Motion carried unanimously.

**EXECUTIVE ACTION ON JUDICIARY - BOARDS AND COMMISSIONS**

**Motion/Vote:** REP. QUILICI moved BASE (PAGE A-19). Motion carried unanimously.

**Motion/Vote:** SEN. MESAROS moved STATE WIDES (PAGE A-19). Motion carried unanimously.

**Motion/Vote:** SEN. TAYLOR moved DP 1012- JUDICIAL STANDARDS RST. APPROPRIATION AS AMENDED: \$10,000 AS A BIENNIAL APPROPRIATION. Motion carried unanimously.

**EXECUTIVE ACTION ON JUDICIARY - LAW LIBRARY**

**Motion:** SEN. TAYLOR moved BASE (PAGE A-21).

**Discussion:**

**CHAIRMAN TAYLOR** asks what is in the base for books. **Skip Culver** states that there is \$244,587 in the base for books.

**Vote:** Motion carried unanimously.

**Motion/Vote:** SEN. TAYLOR moved STATE WIDES (PAGE A-21). Motion carried unanimously.  
{Tape : 3; Side : A; Approx. Time Counter : 0 - 30.6}

**EXECUTIVE ACTION ON JUDICIARY - DISTRICT COURT OPERATIONS**

**Motion/Vote:** SEN. MESAROS moved BASE (PAGE A-24). Motion carried unanimously.

February 2, 1999  
PAGE 11 of 14

Motion/Vote: SEN. TAYLOR moved STATE WIDE ADJUSTMENTS (PAGE A-19). Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 10401 - BENCHBOOK & DESKBOOK UPDATE AS AMENDED: TO INCREASE \$4,000 PER YEAR. Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 10402 - VEHICLE LEASE (PAGE A-25) AS AMENDED: TO INCREASE \$3,000 PER YEAR OVER THE BASE. Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 20401 - NEW JUDGES TRAINING (PAGE A- 25) AS AMENDED: TO INCREASE \$5,000 PER YEAR. Motion carried unanimously.

EXECUTIVE ACTION ON JUDICIARY - WATER COURTS SUPERVISION PROGRAM

Motion/Vote: SEN. TAYLOR moved BASE (PAGE A-26). Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved STATE WIDE ADJUSTMENTS (PAGE A-26). Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 10501 - OVERTIME FOR HEARINGS (PAGE A-26). Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 10502 - COMPUTER NETWORK MAINTENANCE (PAGE A-27). Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved DP 10503 - LEASES - COPY MACHINE/POSTAGE METER (PAGE A-27). Motion carried unanimously.

Motion: SEN. TAYLOR moved DP 10504 - TELEPHONE SYSTEM AS AMENDED: FOR \$5,000 TO PURCHASE A PHONE SYSTEM.

Discussion:

REP. QUILICI asks if OBPP looked at this. Mary LaFond said they felt \$10,000 was appropriate but did have as a one time only. Judge Lobal says that ISD has given them two proposals, one for \$10,000 and one for \$15,000. They need to replace the whole system and \$5,000 will not do it.

Substitute Motion/Vote: REP. PECK made a substitute motion ADOPTION OF DP 10504 AS A ONE TIME ONLY. Substitute motion carried unanimously.

**EXECUTIVE ACTION ON JUDICIARY - CLERK OF COURT**

**Motion/Vote:** SEN. TAYLOR moved BASE (PAGE A-28). Motion carried unanimously.

**Motion/Vote:** SEN. TAYLOR moved STATE WIDE ADJUSTMENTS (PAGE A-28). Motion carried unanimously.

**Motion/Vote:** SEN. TAYLOR moved DP 10601 - CLERK OF COURT OPERATIONS (PAGE A-28). Motion carried unanimously.

**Motion:** SEN. TAYLOR moved DP 20601 - ONE FULL TIME EQUIVALENTS AS AMENDED: 1/2 FTE.

**Motion/Vote:** SEN. FRANKLIN moved TO GIVE FULL TIME EQUIVALENT. Motion failed 3-3 with Franklin, Peck, and Quilici voting aye.

**Vote:** Motion carried unanimously.

**EXHIBIT (jgh26a08):** Point 10

**EXHIBIT (jgh26a09):** General Operations - FTE levels

**EXHIBIT (jgh26a10):** Maintenance Division's Response to Subcommittee Questions

**EXHIBIT (jgh26a11):** Montana Department of Transportation DBE Supportive Services Program

**EXHIBIT (jgh26a12):** DBE Supportive Services

**EXHIBIT (jgh26a13):** DOT MTPRRIME Cost Analysis

**EXHIBIT (jgh26a14):** What is MTPRRIME?

**EXHIBIT (jgh26a15):** MDT's Response to Subcommittee Information Request

**EXHIBIT (jgh26a16):** Memo to Committee from Comparisons to MTPRRIME Operations Budget

**EXHIBIT (jgh26a17):** Judicial Branch Limited Court Auditor

**EXHIBIT (jgh26a18):** Judiciary Proposal to Restore 50% of Vacancy Savings

**EXHIBIT (jgh26a19):** Budget Enhancement (Not included in Executive Budget)

**EXHIBIT (jgh26a20):** State Law Library Budget Proposal

**EXHIBIT (jgh26a21):** Montana Water Court Budget Proposal

**EXECUTIVE ACTION ON MT CHIROPRACTIC LEGAL PANEL**

**Motion/Vote:** REP. QUILICI moved BASE (PAGE A-30). Motion carried unanimously.

February 2, 1999

PAGE 13 of 14

**Motion/Vote:** SEN. TAYLOR moved STATE WIDE PRESENT LAW (PAGE A-30). Motion carried unanimously.

**Motion/Vote:** SEN. TAYLOR moved DP 11 - PANEL OPERATING COSTS (PAGE A-31). Motion carried 5-0. No vote from REP. PECK.  
{Tape : 3; Side : B; Approx. Time Counter : 0 - 25.9}

**ADJOURNMENT**

Adjournment: 12:03 P.M.

---

REP. LILA TAYLOR, Chairman

---

LYNN DAILY, Secretary

LT/LD

**EXHIBIT** (jgh26aad)